



The Egmont Group International Bulletin

March 2007



Editorial

During the Liechtenstein meeting the Egmont Committee and the individual Working Groups continued to progress a number of important projects.

Working Groups are also collaborating more with each other on issues that cross over between the groups. This cooperation between Working Groups will ensure a more cohesive approach to the work of Egmont and will maximise available resources.

All Working Groups are busy preparing for the Plenary meeting. The Training Working Group is organising a number of interesting and informative training sessions that are targeted at all attendees. Presentations are to be given by external expert speakers, representatives from the Working Groups as well as representatives from individual FIUs.

We look forward to meeting with our colleagues again at the Egmont Plenary meeting in Bermuda.

Neil J Jensen
Chair, TWG

LEGAL WORKING GROUP

Most of the Legal Working Group (LWG) discussion focused on the review of candidate applications. There are a small number of jurisdictions whose FIUs could not be recommended in Cyprus because of an insufficient legal basis for terrorism financing. Some of these FIUs are now demonstrating signs of progress which will be monitored by the LWG.

The LWG also reviewed the discussion paper developed by the Operational Working Group (OpWG) on best practices for information exchange. The OpWG and LWG will have a joint session during the Bermuda meeting to further review the paper.

Members of the group also reviewed the procedure for recognizing new Egmont member FIUs and adopted a new procedure in conjunction with the Outreach Working Group (OWG). It is expected that the new procedure will be more effective and expeditious in the monitoring and processing of candidates for membership in the Egmont Group.

EGMONT COMMITTEE

The Egmont Committee met to discuss a number of issues including the Board's selection procedures and candidate recommendations for the position of the Egmont Executive Secretary. The Committee unanimously agreed with the Board's recommendation for the position and the final decision will be announced at the Egmont Plenary in Bermuda. The successful candidate will attend the Plenary meeting. The Committee would like to take this opportunity to express the Egmont Group's great appreciation to the Representative Board for their efforts.

The Committee also spent considerable time discussing Financial Intelligence Units (FIUs) that do not have Terrorist Financing legislation. The Committee will discuss this issue further with the Heads of FIU at the Bermuda Plenary meeting.

IMPLEMENTATION COMMITTEE SUB GROUPS

The Implementation Committee's Charter Subgroup met in Vaduz to finalize the draft Charter document. The Charter Subgroup agreed that the Charter document will be circulated to all Heads of FIU, along with the recommendation that the Charter be adopted at the upcoming Plenary meeting in Bermuda.

During the Implementation Committee Secretariat Subgroup a recommendation for the position of Executive Secretary, Egmont Group Secretariat was made by the Advisory Board.

The proposed process to hire the remaining Secretariat staff in 2007-08 was presented and accepted by the members.

It was decided that the UK would continue to provide PAS services until the Secretariat was staffed beyond the position of Executive Secretary to ensure a smooth transition to the Egmont Group Secretariat.

OUTREACH WORKING GROUP

During the Outreach Working Group (OWG) detailed discussions were held in respect of the monitoring of candidate jurisdictions. Progress made since the Warsaw meeting was highlighted with five (5) candidates recommended to the Legal Working Group for membership of the Egmont Group.

TRAINING WORKING GROUP

Training and Breakout Sessions Plenary meeting

The Training Working Group (TWG) is currently coordinating the Breakout and Training Sessions for the Bermuda Plenary meeting. The Breakout sessions which will be conducted on Thursday 31 May, include presentations from the Financial Action Task Force (FATF) and various FATF Style Regional Bodies (FSRBs) on the findings from their recent typologies projects.

The training session to be held on Monday 28 May 2007 will include presentations from representatives of the Offshore Financial Sectors, followed by a presentation given by Kenneth Rijock, Financial Consultant with World Check.

The session on Wednesday 30 May 2007 will cover topics related to alternative remittance systems.

International Organisations

International Monetary Fund (IMF)

The IMF provided the Training Working Group with an update on the *Research Project on the Performance of FIUs*. Egmont members have been working closely with the IMF to identify matters of specific interest to Egmont members. The IMF will present their findings at the Bermuda Plenary meeting.

UNODC

The UNODC informed the TWG that the core business of the UNODC is to provide technical assistance to those who utilize information provided by FIUs, such as law enforcement agencies and anti-corruption agencies and does not focus exclusively on FIUs. The UNODC is currently focusing on non-Egmont members, mainly in Africa, West Africa and Vietnam to provide training on developing an FIU.

IT WORKING GROUP

Representatives from the UNODC provided the IT Working Group (ITWG) with a presentation on the IT system that they are building for Nigeria, called GoAML. The development project is underway and they hope to conclude the final phase in August 2008. The UNODC has indicated that it plans to provide this system to developing countries free-of-charge but will require the FIU to fund their own hardware, software licensing and ongoing maintenance support for the system. The ITWG hopes to receive more updates from the UNODC and will look to assisting them in their development wherever possible.

Contact details for the Permanent Administrative Support

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TNA Workshop

In response to the analysis of the training needs assessment, the TWG is currently developing training material on the topics of Tactical Analysis and the Offshore Financial Sector. The training material will consist of a Facilitator's Guide, a Participants Manual, and relevant PowerPoint presentations.

The *Facilitator's Guide* provides a detailed description of the content of the workshop, the timing of each session, methods of delivery, discussion points, examples and any activities that may be developed as part of the session.

The *Participant's Manual* provides material that the presenter may refer to during the training session and any supporting documentation.

It is anticipated that this material will be used in the development of regional workshops.

Funding will be required to conduct these workshops and TWG will be seeking partnerships with International Organisations.

Sanitised Cases

Fourteen new cases are on the Egmont public website. A further forty two (42) restricted cases have now been posted onto the Egmont Secure Web (ESW). Those case studies relate to the following sectors; banking, bureau de change, high value dealers, insurance, investment, credit cards, remittance service, lawyers. Unrestricted cases are currently available on the public website whereas both unrestricted and restricted cases are available on the ESW.

A new database that has been developed to facilitate individual searches will be placed on the ESW shortly.

The sanitised cases will soon be available in Spanish and French, as well as English.

OPERATIONAL WORKING GROUP

Corruption Project

The participants of the Operational Working Group continued to work on various projects. In particular, a draft paper on corruption and politically exposed persons (PEPs) was reviewed and discussed, with the aim of defining practical steps for FIUs in identifying and investigating corruption and PEPs. Next steps to be considered in Bermuda include determining how the paper might be used in conjunction with non-Egmont anti-corruption initiatives such as those of the Financial Action Task Force (FATF) and the Wolfsberg Group.